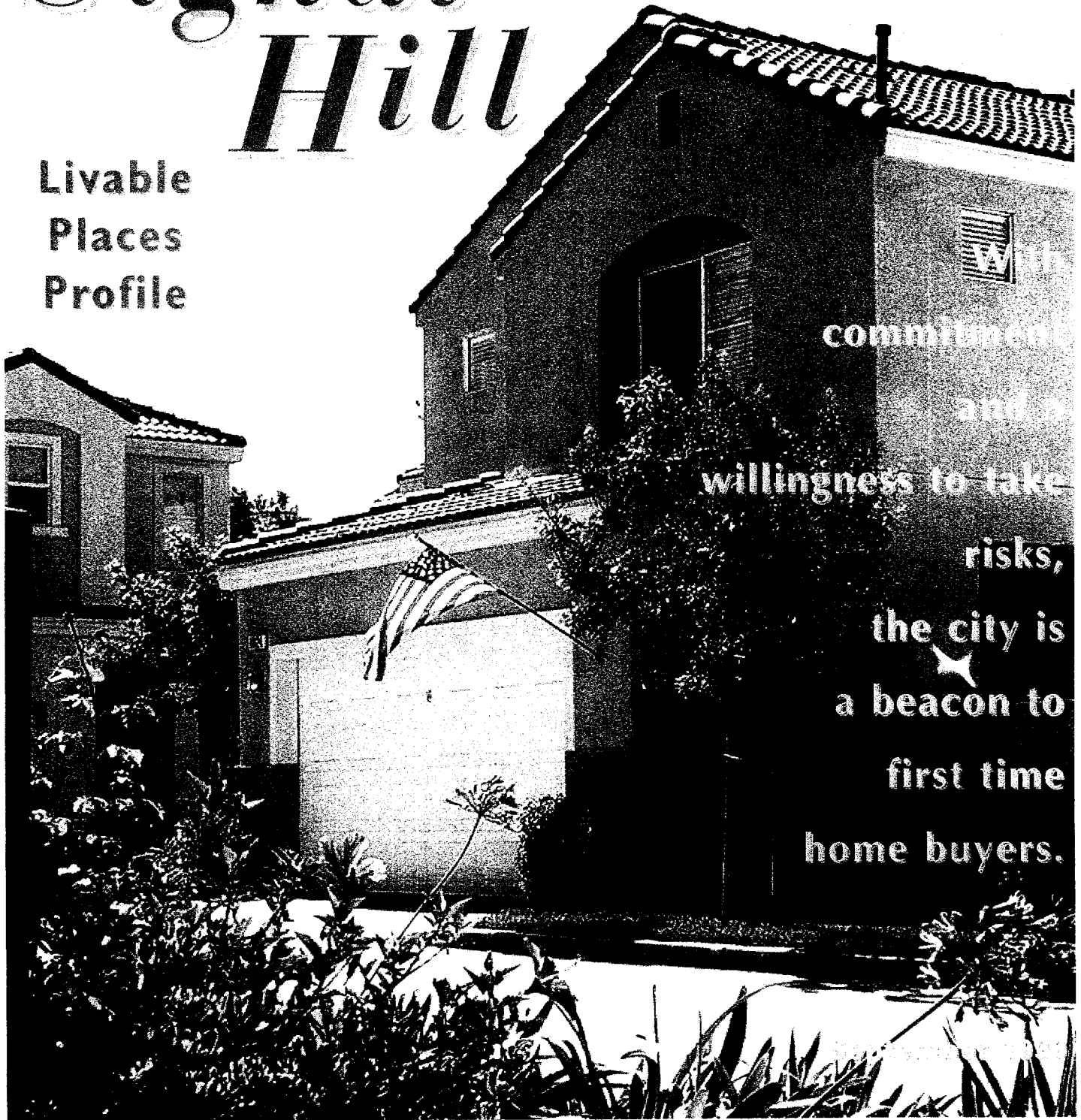


Signal Hill

Livable
Places
Profile



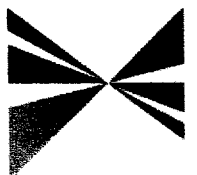
With
commitment
and a
willingness to take
risks,
the city is
a beacon to
first time
home buyers.



Gateway Cities

Council of Governments
Southeast Los Angeles County

SOUTHERN CALIFORNIA



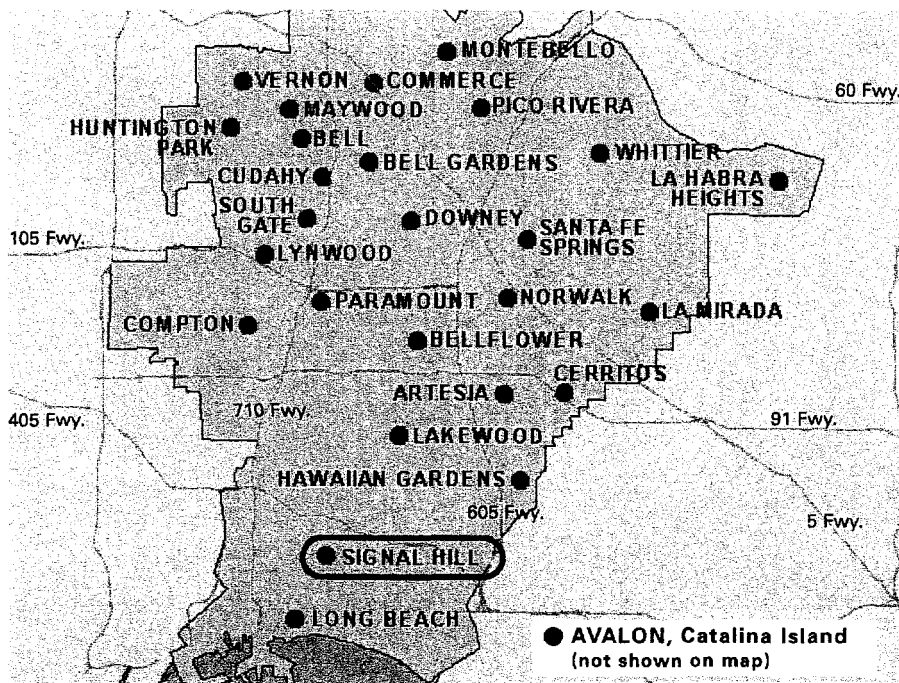
**ASSOCIATION of
GOVERNMENTS**

Livability Showcase

The Gateway Cities Council of Governments (COG), in partnership with the Southern California Association of Governments (SCAG), is sponsoring three livable community profiles. Each profile highlights how a member city's exemplary efforts at industrial, commercial, or residential development and redevelopment have paid-off to transform its assets into a more sustainable place. These profiles provide an opportunity for member cities to learn about and benefit from other's hard earned successes in enhancing the economic vitality of their community while retaining their unique characteristics and improving the quality of life for their residents.

- 1990 Population: 9,100
- African-American: 10%
- Asian: 11%
- Hispanic: 22%
- White/Anglo: 56%
- American Indian: 7%
- Employment: 4,651
- Median Household Income: \$47,668
- Year Incorporated: 1924
- Area: 2.2 square miles
- Features: Low business license fee, low property tax rate, no utility or gross receipts tax

This profile focuses on the success of the City of Signal Hill with an extraordinary residential redevelopment project that transforms a deteriorating commercial strip into 69 owner-occupied, market-oriented single family homes, makes available innovative financing assistance to market-rate and moderate income buyers, and evolves a process of collaboration with the City of Long Beach.



About the Gateway Cities Subregion

Twenty-seven cities and the unincorporated areas of Los Angeles County comprise the 220 square mile Gateway Cities subregion. The Gateway Cities is the traditional center of Southern California's industrial core, and one of the most densely populated areas of the region. By the year 2000, Gateway Cities will exceed two million residents and 750,000 jobs. With an excellent transportation infrastructure and the world's largest ports complex nearby, the Gateway Cities is at the hub of the largest and richest domestic market in North America.

Map of Gateway Cities, courtesy of SCAG web site.



Single family homes are nestled in a "forest of wood derricks" in the 1920's era oil boom.

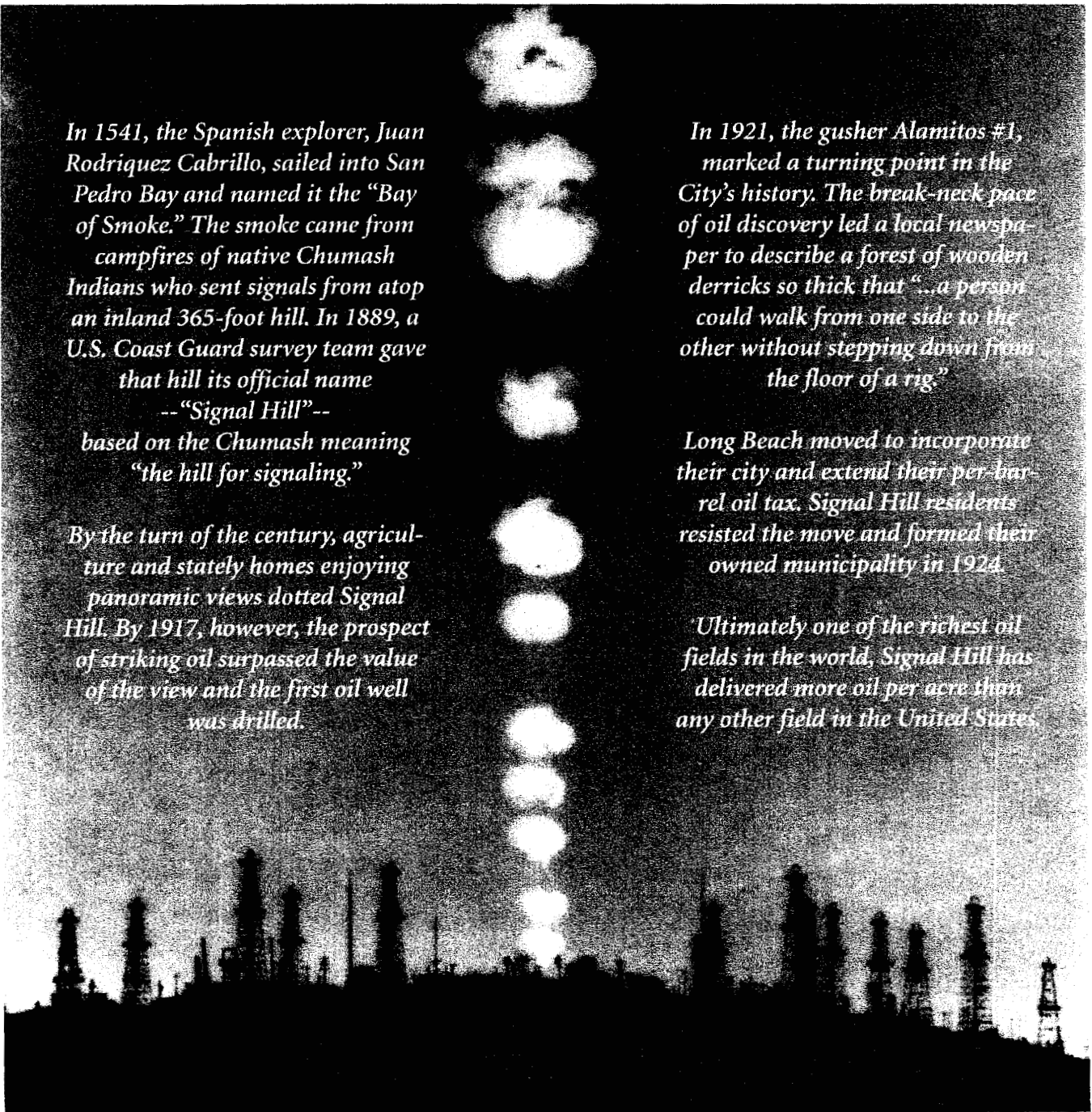
In 1541, the Spanish explorer, Juan Rodriquez Cabrillo, sailed into San Pedro Bay and named it the "Bay of Smoke." The smoke came from campfires of native Chumash Indians who sent signals from atop an inland 365-foot hill. In 1889, a U.S. Coast Guard survey team gave that hill its official name -- "Signal Hill"-- based on the Chumash meaning "the hill for signaling."

By the turn of the century, agriculture and stately homes enjoying panoramic views dotted Signal Hill. By 1917, however, the prospect of striking oil surpassed the value of the view and the first oil well was drilled.

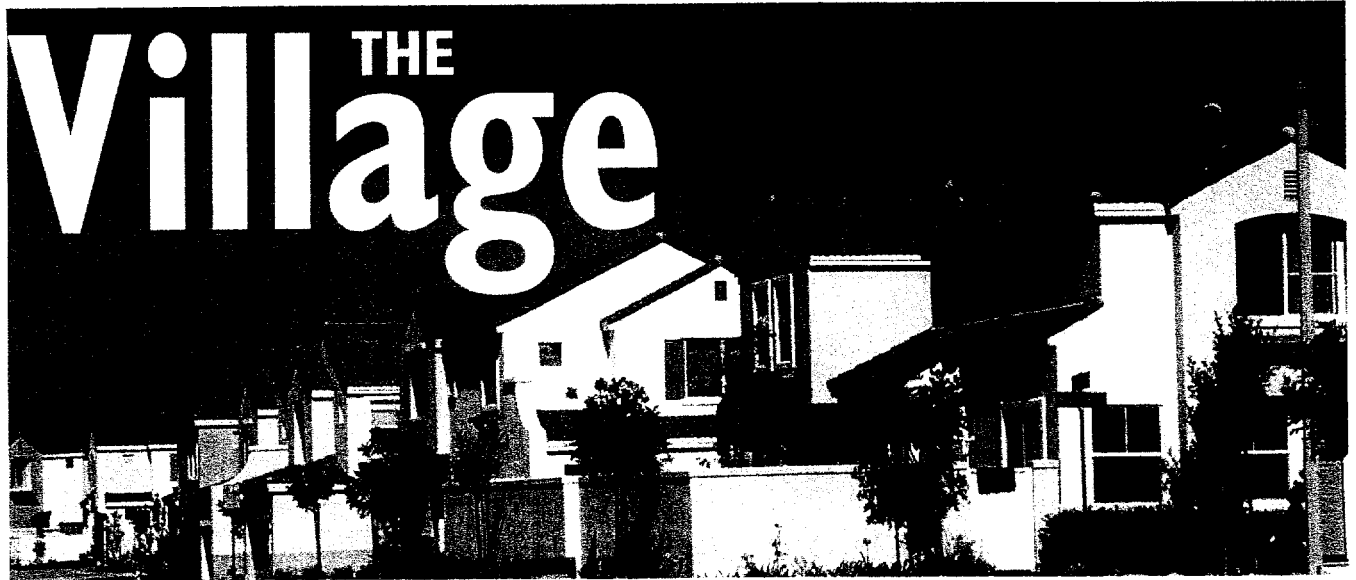
In 1921, the gusher Alamitos #1, marked a turning point in the City's history. The break-neck pace of oil discovery led a local newspaper to describe a forest of wooden derricks so thick that "...a person could walk from one side to the other without stepping down from the floor of a rig."

Long Beach moved to incorporate their city and extend their per-barrel oil tax. Signal Hill residents resisted the move and formed their own municipality in 1924.

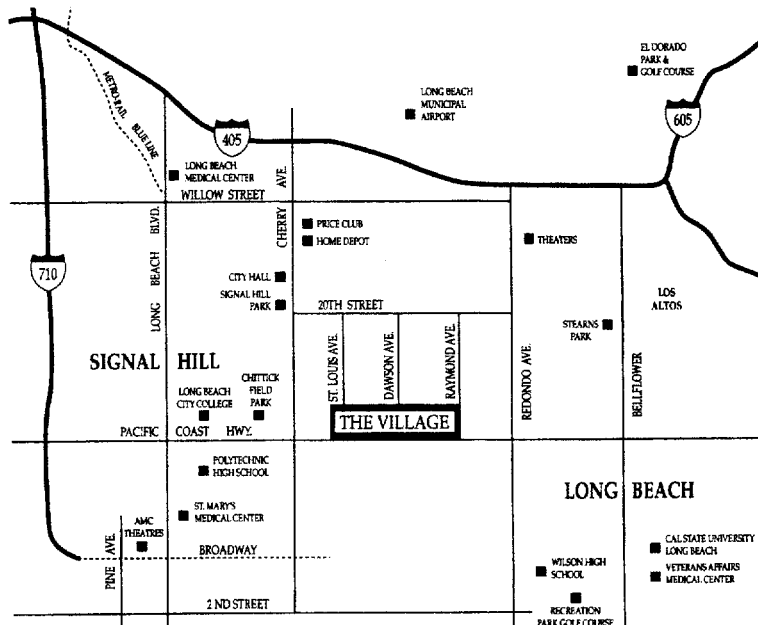
Ultimately one of the richest oil fields in the world, Signal Hill has delivered more oil per acre than any other field in the United States.



Model Housing & Community Development:



Single family homes grace Village Way.



The Village is located at the foot of Signal Hill along Pacific Coast Highway near Cherry Avenue.



Homes are clustered around common driveways.

Pacific Coast Highway at Cherry Avenue was a deteriorating commercial strip with criminal activities spilling over into the adjacent neighborhoods. Because of marginal existing uses, small lots, and fragmented ownership, property values remained low. Without a redevelopment district in place, the City couldn't attract new businesses. Without a commercial base, rejuvenating PCH would require a different vision: remove the existing marginal commercial uses—hotel, liquor store, used car lot, and equipment rental—and develop a residential community.

Using redevelopment—which can implement affordable housing projects outside redevelopment districts—the City Council assessed the risks and acted decisively to move the vision ahead.

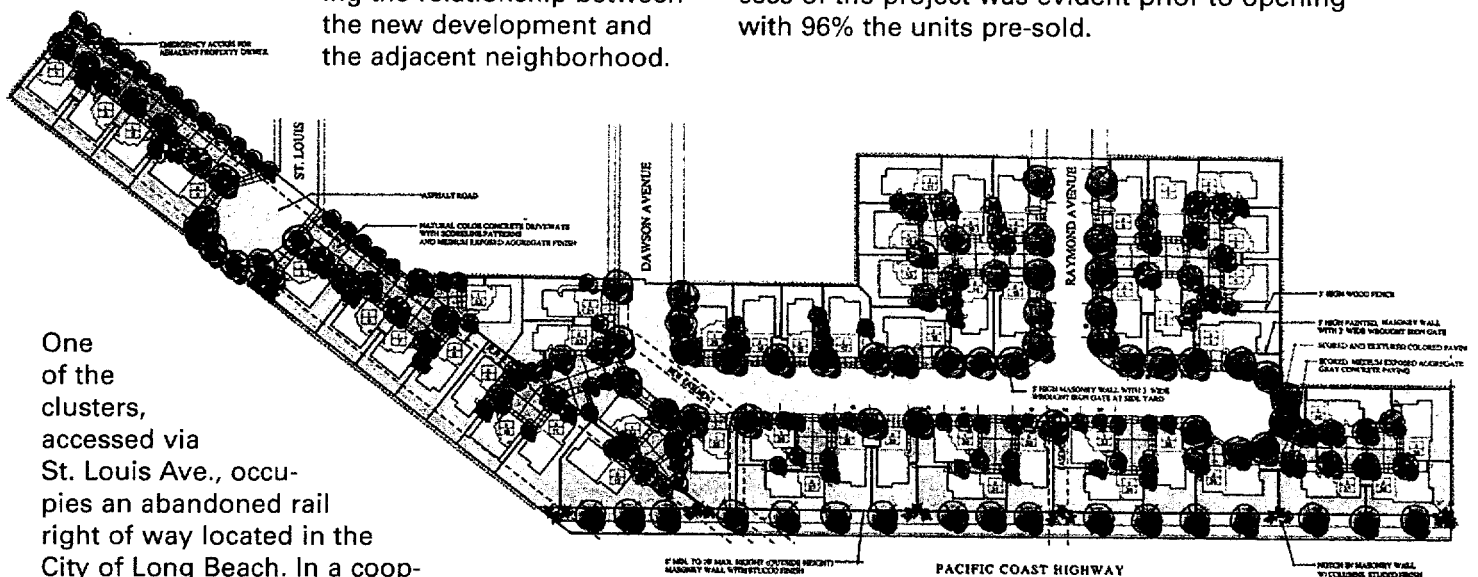
Signal Hill achieved its goal of creating a market-oriented, owner-occupied single family development that fit into the existing neighborhood. The redevelopment agency committed \$4 million in housing set-aside funds, and then issued a developer request for proposal. The project was awarded to The Lee Group, Marina Del Rey, and their architects Van Tilburg, Banvard & Soderbergh, AIA, Santa Monica.

The clusters solve a pragmatic problem--accommodate a sufficient number of units to make the project economically feasible, while creating the feeling of a neighborhood.

The Village at Signal Hill is located on a 3.5 acre linear site along PCH between Cherry Avenue and Junipero Avenue, and partly occupies an abandoned Pacific Electric rail right-of-way. The Village is comprised of a total of 54 single family housing units. 52 units are located in two clusters parallel to PCH; each cluster has two or more sub-areas. The density is 13 units per acre. Two additional units are located within the adjacent neighborhood.

The three streets which provide access—St. Louis Ave., Dawson Ave., and Raymond Ave.—were all closed to PCH and vacated, thereby providing additional land area, improving neighborhood safety and reducing through traffic, and strengthening the relationship between the new development and the adjacent neighborhood.

While the Lee Group positioned the development to meet the buying power of the local market, the City also provided a range of additional financial assistance tools aimed at first time and moderate income buyers. The financial assistance provided to qualified first-time buyers include a 3.3% loan toward the down payment (the loan is due at the end of 30 years or when the property is sold or transferred to a non low-moderate income buyer), plus a 1% grant for closing costs. The Lee Group also accessed mortgage revenue bond financing to provide a 2:1 buy down of the interest rate for the first two years for qualified buyers. The average amount of Agency assistance was \$11,000 for each of the 18 targeted units. Covenants are required to maintain owner occupancy. The success of the project was evident prior to opening with 96% the units pre-sold.



One of the clusters, accessed via St. Louis Ave., occupies an abandoned rail right of way located in the City of Long Beach. In a cooperative spirit for improving the area, Long Beach agreed to the project concept, approved the site plan, allowed Signal Hill building inspectors jurisdiction, and supported Signal Hill annexation, which was approved by the Los Angeles Area Formation Committee (LAAFCO).

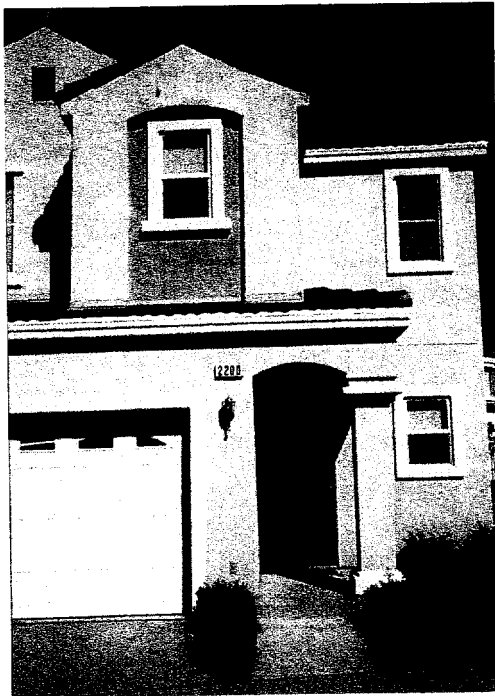
The illustrative site plan depicts clusters of homes organized along Village Way and terminating St. Louis Avenue, with access from the neighborhood to the north.

Development Program

Unit Name	No. of Bedrooms	No. of Bathrooms	Size (S.F.)/Unit	Priced From
Catalina	3	2-1/2	1,487	\$169,950
Belmont	3	2-1/2	1,268	\$161,950
Avalon	2	2-1/2	1,188	\$151,950

The Signal Hill Redevelopment Agency acquired the land, relocated the existing businesses and tenants, demolished existing structures, and underwrote the development impact fees for traffic, parks, and water. The City required that 18 of the 54 units, or one-third, be targeted for moderate income buyers.

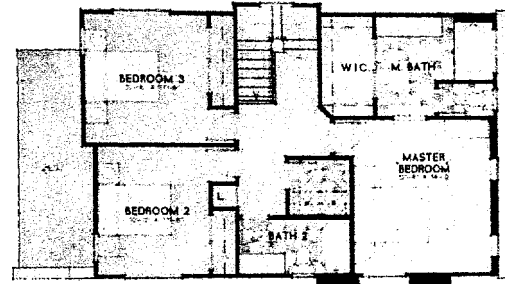
What makes *The Village*



With its own attractive entryway, each home has a unique identity.



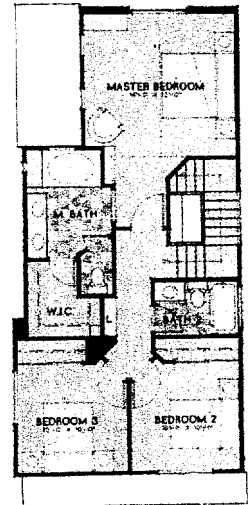
Homes are two stories and include a two-car garage and private back or side yard enclosed by a wall, as seen on the right, above.



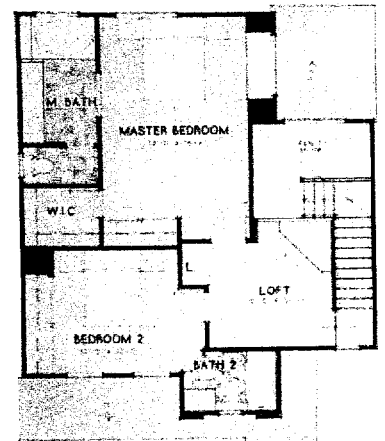
Upstairs, Catalina unit plan

Around the Village

- Detached single-family homes
- Mature landscape
- Secure community
- Sound wall along Pacific Coast Highway
- Superior location close to shopping, schools, and recreation
- Rear and side-yard fencing
- Underground utilities
- Common/front-yard landscape maintained by Homeowners Association

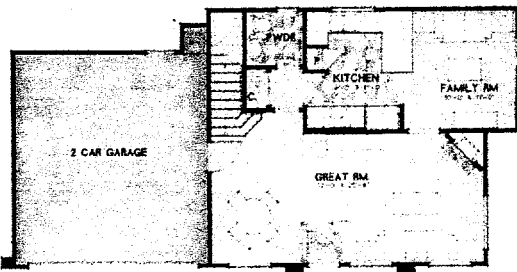


Upstairs, Belmont unit plan

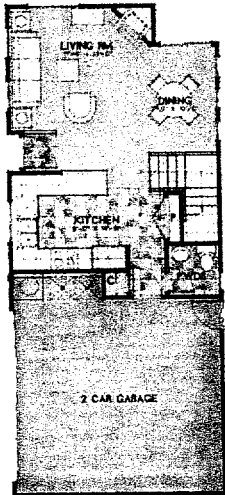


Upstairs, Avalon unit plan

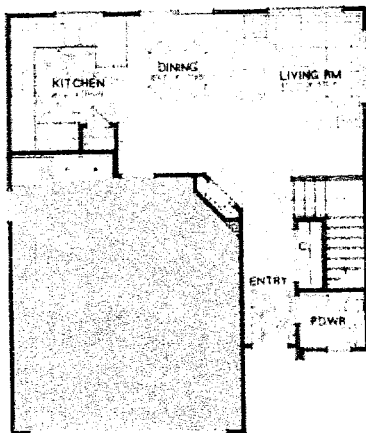
livable ?



Downstairs, Catalina unit plan



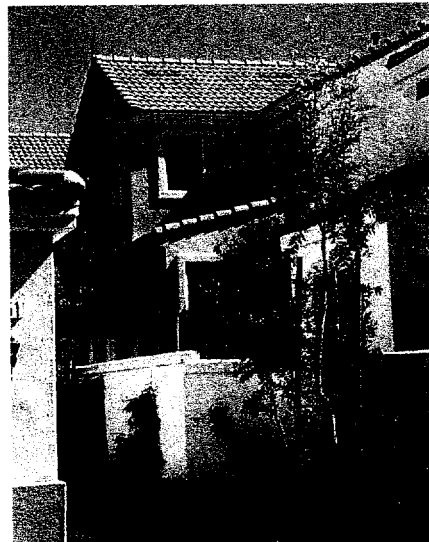
Downstairs, Belmont unit plan



Downstairs, Avalon unit plan



A variety of drought tolerant planting adds color, character, and variety.



Side yards between buildings are active and visually interesting spaces

Quality Touches

- Energy efficient air conditioning and water heater
- Fire resistant concrete roofs
- Dual-glazed energy efficient windows and sliding doors
- Architectural niches
- Fully insulated
- Solid core front doors
- Dead-bolt security locks
- Drywall and fire-taped garages
- Ground termite treatment
- Vaulted ceilings

Inside

- Electric ignition gas log fireplace
- Upgraded wall-to-wall carpeting
- Designer ceramic tile entry floor
- High ceiling master bedroom with adjoining master bath
- Walk-in master bedroom closets
- Pre-wired cable TV and telephone
- Smoke detectors
- Energy conserving fluorescent lighting
- Kitchen
 - Hand-set ceramic tile counters
 - Energy-efficient appliances--range/ oven, dishwasher, waste disposal
 - European-style oak cabinetry with drawer roller-guides
 - Oversized breakfast eating bar
 - Low maintenance Armstrong no-wax vinyl floor
- Bathing Experiences
 - Marble countertops and splash
 - Oversized vanity mirrors
 - Oak hardwood Pullman cabinets
 - Built-in medicine cabinets with mirrored doors
 - Oval soaking tub in master bath

Architect's rendering of residential facades.



East Village



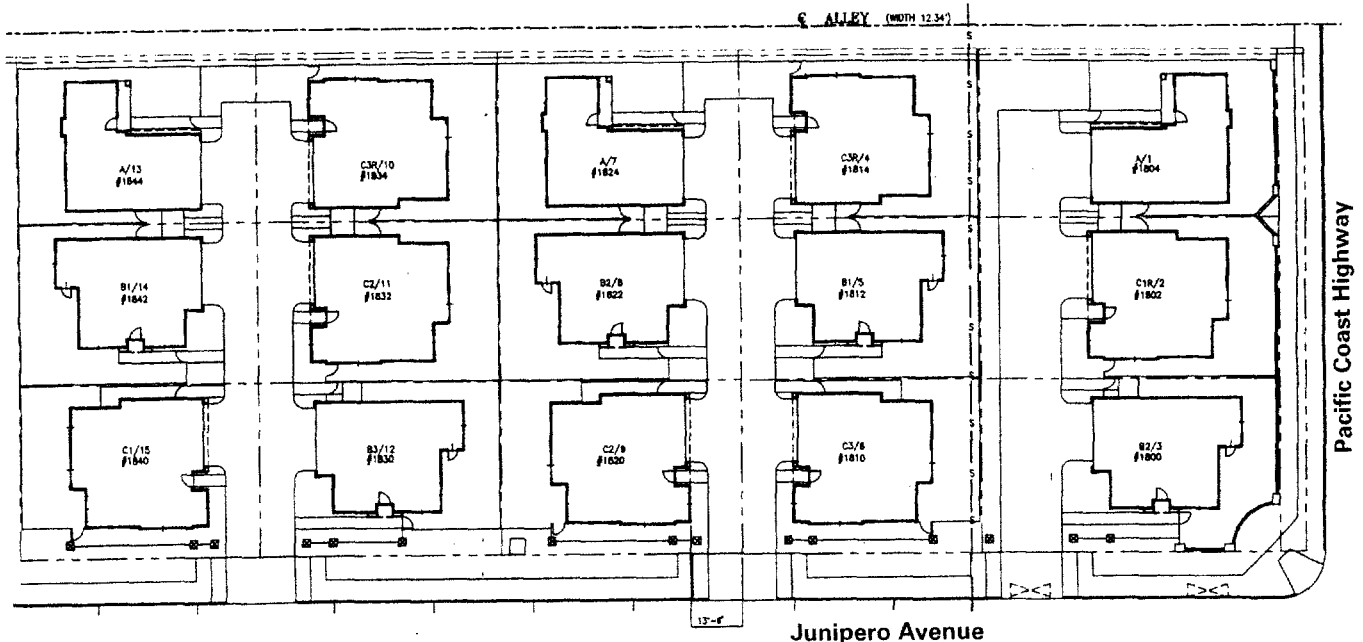
Architect's rendering of residential facades along Junipero Avenue.

The success of The Village was potentially threatened by the remaining deteriorated uses located on the east side of Junipero Avenue. In 1997, the City reaffirmed its commitment to the area, and its investment in The Village, by redeveloping the three existing, overcrowded apartment buildings and a vacant used-car lot. The Redevelopment Agency relocated the tenants, acquired the land, and assembled a one acre parcel for \$1.8 million.

In 1998 the Agency issued a request for proposals for developing The East Village: 15 single family homes, five of which are targeted for moderate income families. A local, Signal Hill-based developer, Ms. Bozena Jaworski, won the bid, and is in the development process. The City set more stringent development criteria for The East Village such as requiring the developer to pay development impact fees and provide additional financing. Like its predecessor, the market has made The East Village a success; there is a waiting list to buy units.

East Village unit prices have yet to be determined but should range between \$163,000 and \$192,000. Both The Village and The East Village have homeowner associations that maintain the PCH privacy wall and landscape features such as the gateway located at corner of Junipero Avenue and PCH. Both developers are making approximately 11% internal rate of return, a reasonable one for civic-minded investors.

Financing programs for The East Village are centered around the FreshRate program available through the Independent Cities Lease Finance Authority/Independent Cities Association (ICLFA/ICA), sponsored through participating lenders. Financial assistance is intended to maximize credit worthiness, increase buying power, and retain cash to pay for such expenses as a washer/dryer, refrigerator, window coverings, and lawn equipment. FreshRate includes low (4%) down payments, grants for closing costs, and interest buy downs. Covenants are required to maintain owner occupancy.





Development Program

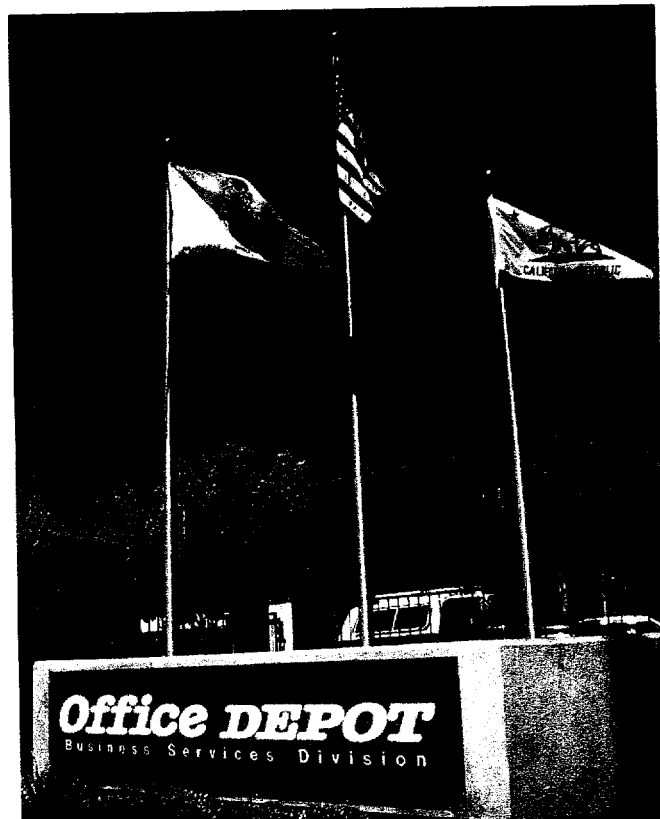
Unit Name	No. of Bedrooms	No. of Bathrooms	Size (S.F.)/Unit
A	3	2-1/2	1,282
B	3	2-1/2	1,435
C	3-1/2	2-3/4	1,584



View of the East Village under construction looking north along Junipero Avenue.

Taking Care of the Southeast Area Neighbors

In undertaking improvements to the commercially-oriented PCH, the City of Signal Hill spent significant time working with people in the adjacent residential neighborhood. With crime drifting into and traffic cutting through the area, PCH improvements offered the opportunity to enhance residential property values. But the City did not take the community's participation for granted. The City developed outreach programs to assure that neighbors were involved in the process, including rehabilitation grants for single family houses, on-going notices about project progress, and offering area residents car-wash coupons during dusty parts of the construction process.



A Model of Cooperation: Signal Hill and Long Beach

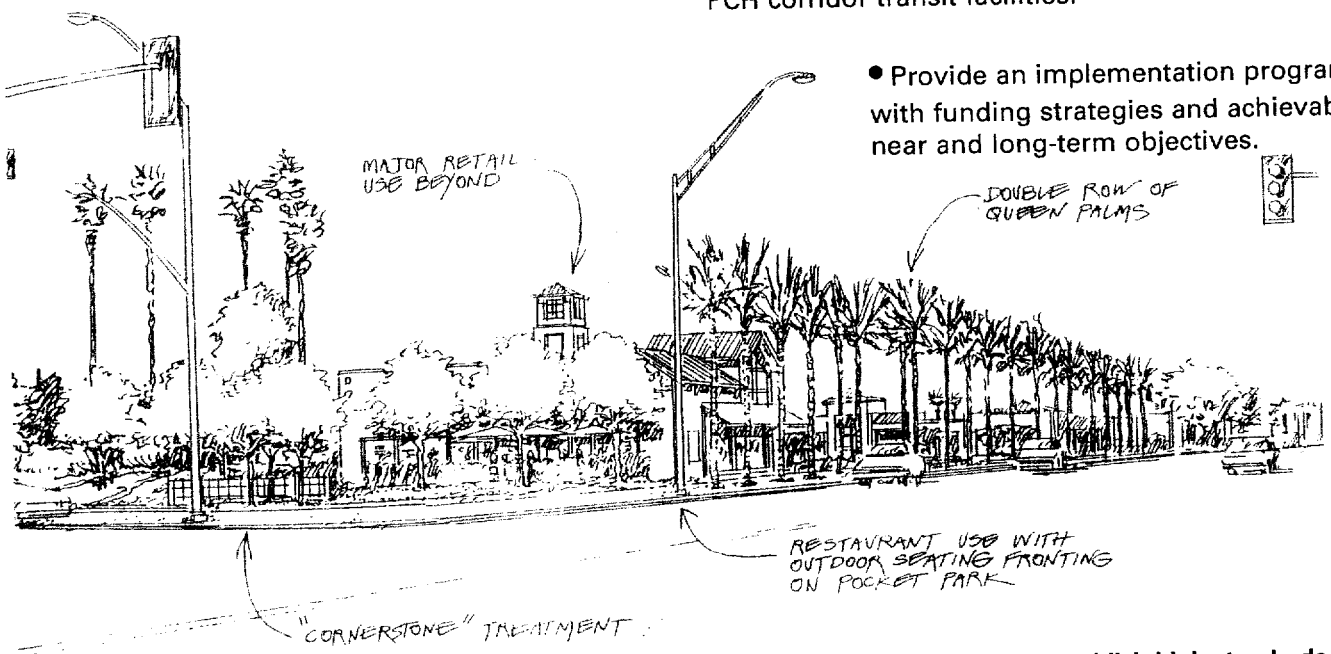
While it broke away from the City of Long Beach in 1924 over a tax dispute, Signal Hill and its larger neighbor have cultivated a constructive and mutually supportive partnership. Since Signal Hill is completely surrounded by Long Beach, it clearly has an interest in working with it's neighbor, yet must ensure that the needs of its citizens and business interests are addressed. The two cities formed the Spring Street Corridor Joint Powers Authority to plan for major areas straddling both cities. The hallmark of this cooperative partnership was the effort in 1996 to keep Office Depot, a major Signal Hill employer and revenue source, in the community. Office Depot needed to enlarge its facility, but there was no site big enough in Signal Hill that could accommodate the expansion. Office Depot considered moving out of Los Angeles County. With a large, vacant parcel across Redondo Avenue in Long Beach, the two cities quickly responded, and through a Memorandum of Understanding, which evolved into an Owner Participation and Implementation Agreement, successfully persuaded Office Depot to locate the expansion across the Redondo Avenue in Long Beach while retaining their existing facility in Signal Hill.

P.C.H.

SPECIFIC PLAN

Pacific Coast Highway is the southern gateway to Signal Hill--however, the commercial vitality and real estate value of this nationally-significant highway were drained as a result of freeway construction and shifting regional development patterns. To establish a new vision, and to provide implementation tools, the Pacific Coast Highway Specific Plan was prepared by the City of Signal Hill. It aims to create a unique place that protects adjacent residential neighborhoods, promotes economic vitality, and guides future development, including the following:

- Improve appearance and economic vitality by establishing consistent landscape and design guidelines for public and private improvements implemented through Site Plan and Design Review processes.
- Provide opportunities for development of limited commercial uses compatible with adjacent residential uses.
- Encourage the development of residential uses along PCH to consolidate and recycle substandard commercial parcels, and provide a customer base for viable commercial uses.
- Establish precise zoning and land use designations for permitted, prohibited, and conditional uses; regulate nonconforming uses by ordinance.
- Encourage lot consolidation and comprehensively planned developments, including mixed-use, through incentives such as street vacations, assistance with public improvements, and expeditious plan review and entitlement approvals.
- Encourage mixed-use development adjacent to PCH corridor transit facilities.
- Provide an implementation program with funding strategies and achievable near and long-term objectives.



Lessons Learned

✓ Coordinated Public and Private

Investment: Coordinated and targeted public and private investments which stimulate home ownership create the conditions—long-term commitment to the community, an interest in the quality of the neighborhood, purchasing local goods and services—that make a community sustainable and livable.

✓ **Cooperation:** Two cities, such as Signal Hill and Long Beach, working together to improve a specific area or retain and develop businesses and jobs, can achieve results that benefit both.

✓ **Wise Use of Limited Public Resources:** If spent wisely, targeted public "seed money" can leverage significant private investment. For example, housing set aside funds are a valuable tool that can be focused to solve specific neighborhood and community development problems.

✓ **Re-zoning as Part of the Strategy:** Re-zoning land from commercial to residential is a strategy which reduces the liability and risk of marginal businesses.

✓ **Have A Plan the City Stands Behind:** A planning document, such as a specific plan, sends a clear message to the private sector that a city is willing to make the commitment to change an area.

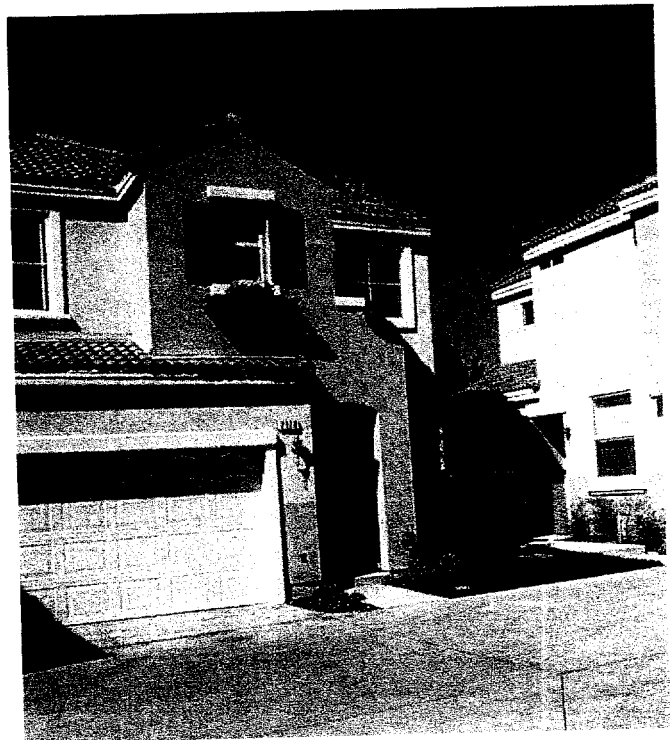
✓ **Reasonable Risk Taking:** Public investment in private development such as redevelopment financing tools can be used to reduce market risk.

✓ **Creating Opportunity:** Shifting regional development patterns which leave behind derelict commercial land uses can be an opportunity for community development. In this case, selective street closures and use of abandoned rights of way created "found land" that reduced capital costs.

✓ **Political Commitment:** Political will and commitment on the part of both elected officials and staff is necessary to overcome complex problems. In Signal Hill, officials took the initiative to identify and discuss existing problems as the necessary first step to developing creative solutions.

✓ **Tailor Solutions to the Neighborhood:** Solving the specific problems of a neighborhood is essential to building a constituency that supports change.

✓ **Think Global, Act Local:** Working with local developers and investors can leverage community relationships and recycle profits within a community.



Credits

City of Signal Hill

Michael Noll, Mayor
Edward Wilson, Mayor Pro Tem
Richard Ceccia, Councilmember
Larry Forester, Councilmember
Tina Hansen, Councilmember
Kenneth C. Farfsing, City Manager
Debbie Rich, Director of Economic Dev't & Housing
Jim DellaLonga, Redevelopment Coordinator

Gateway Cities Council of Governments

Richard Powers, Executive Director

Southern California Assoc. of Governments

President: Supervisor Zev Yaroslavsky, Los Angeles
First Vice President: Councilmember Ron Bates, City of Los Alamitos
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Immediate Past President: Mayor Bob Bartlett, City of Monrovia

Long Beach Business Journal

With acknowledgement to the 75th Anniversary supplement
George Economides, Publisher

The Lee Group

Jeff Lee, President
Jay Stark, Director of Development

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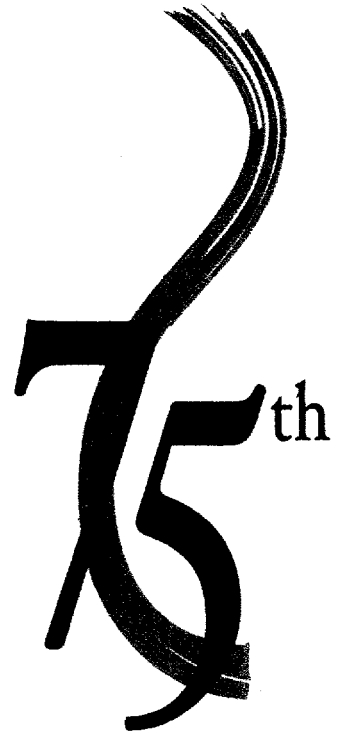
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